

# DRAFT

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## DEPARTMENT OF THE TREASURY

### Office of Thrift Supervision

12 CFR Parts 545, 556, 557, 561, 563, and 563g

[97-27]

RIN 1550-AB00

### Deposits and Electronic Banking

**AGENCY:** Office of Thrift Supervision, Treasury.

**ACTION:** Notice of proposed rulemaking and advance notice of proposed rulemaking.

**SUMMARY:** The Office of Thrift Supervision (OTS) is proposing to substantially streamline its deposit-related regulations. This Notice of Proposed Rulemaking (NPR) follows a detailed staff review of pertinent regulations and policy statements in the Code of Federal Regulations (CFR) to determine whether each provision is necessary, imposes the least possible burden consistent with safety and soundness, and is clearly written. Today's proposal is issued pursuant to the Regulatory Reinvention Initiative of the Vice-President's National Performance Review and section 303 of the Community Development and Regulatory Improvement Act of 1994.

In addition, OTS is publishing an advance notice of proposed rulemaking (ANPR) seeking comment on OTS electronic banking regulations. OTS is concerned that its current electronic banking regulations do not adequately address advances in technology and may impede prudent innovation by federal savings associations.

**DATES:** Comments must be received on or before [Insert 60 days from date of publication in the Federal Register].

**ADDRESSES:** Send comments to Manager, Dissemination Branch, Records Management and Information Policy, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552, Attention Docket No. 97-27. These submissions may be hand-delivered to 1700 G. Street, NW., from 9:00 a.m. to 5:00 p.m. on business days; they may be sent by facsimile transmission to FAX Number (202) 906-7755. Comments will be available for inspection at 1700 G Street, NW., from 9:00 a.m. until 4:00 p.m. on business days.

**FOR FURTHER INFORMATION CONTACT:** For Deposits: Edward J. O'Connell, III, Project Manager, (202) 906-5694, Supervision Policy; or Richard Blanks, Counsel (Banking and Finance), (202) 906-7037; or Karen

Osterloh, Assistant Chief Counsel, (202) 906-6639. For Electronic Banking:  
Paul Glenn, Special Counsel, Chief Counsel's Office, (202) 906-6203, or Paul  
Robin, Program Analyst, Compliance Policy, (202) 906-6648, Office of Thrift  
Supervision, 1700 G Street NW., Washington, DC 20552.

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### **I. Background of the Proposal and Advance Notice of Proposed Rulemaking**

In a comprehensive review of the agency's regulations in the spring of 1995, OTS identified numerous obsolete or redundant regulations that could be quickly repealed. OTS also identified several key regulatory areas for a more intensive, systematic regulatory burden review. The first areas reviewed – lending and investment authority, subsidiaries and equity investments, corporate governance, conflicts of interest, corporate opportunity and hazard insurance – were selected because they have a significant impact on thrift operations, and had not been developed on an interagency basis or been comprehensively reviewed for many years. OTS has issued comprehensive final regulations on all of these areas.<sup>1</sup>

Today's proposal is the first in the next phase of OTS's review of its regulations. It follows an intensive review of OTS's deposit-related regulations

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<sup>1</sup> 61 FR 50951 (September 30, 1996) (Lending and Investment); 61 FR 66561 (December 18, 1996) (Subsidiaries and Equity Investments); 61 FR 60173 (November 27, 1996) (Conflicts of Interest, Corporate Opportunity and Hazard Insurance); 61 FR 64007 (December 3, 1996) (Corporate Governance).

and policy statements. In developing this proposal, OTS considered the relevant regulations, agency guidance, legal interpretations, and requirements of the other federal banking agencies. Like other OTS regulatory reinvention efforts, this proposal was prepared in consultation with those who use these regulations on a daily basis, including OTS regional examination staff.

OTS is also seeking public input on a related area of its regulations that has had an increasing impact on thrift operations, but has not been recently amended -- electronic banking. OTS has three regulations affecting electronic banking. These include: 12 CFR 545.138 (Data processing services); 545.141 (Remote service units); and 545.142 (Home banking services). After reviewing these electronic banking regulations, OTS has decided to solicit public comment through an ANPR before determining what regulatory amendments may be appropriate. OTS is concerned that these regulations may not appropriately address electronic banking services under emerging technologies.

**ATTACHMENT IS AVAILABLE UPON REQUEST**

**WRITE US AT:**

**DISSEMINATION BRANCH  
OFFICE OF THRIFT SUPERVISION  
1700 G STREET, NW  
WASHINGTON, DC 20552**

**FAX US AT:**

**202/906-7755**

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